

FTC acts to block Meta from buying VR company, fitness app

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Facebook CEO Mark Zuckerberg speaks at Georgetown University in Washington, Thursday, Oct. 17, 2019. Federal regulators, Wednesday, July 27, 2022, took legal action to block Facebook parent Meta and CEO Mark Zuckerberg from acquiring virtual reality company Within Unlimited and its fitness app Supernatural, asserting the deal would hurt competition and violate antitrust laws. Credit: AP Photo/Nick Wass, File



Federal regulators on Wednesday took legal action to block Facebook parent Meta and CEO Mark Zuckerberg from acquiring virtual reality company Within Unlimited and its fitness app Supernatural, asserting the deal would hurt competition and violate antitrust laws.

The Federal Trade Commission filed a complaint in <u>federal court</u> in San Francisco against the tech giant and its high-profile CEO seeking a temporary restraining order and preliminary injunction against the proposed acquisition.

The regulators said that Meta already is a key player "at each level of the virtual reality sector," owning the top-selling device, a leading <u>app store</u>, seven of the most successful developers in the sphere and one of the best-selling apps of all time.

The FTC alleged that Meta and Zuckerberg plan to expand that VR empire by attempting to illegally acquire a dedicated fitness app.

Under Zuckerberg's leadership, Meta began a campaign to conquer virtual reality in 2014 with its acquisition of headset maker Oculus VR. Since then, Meta's VR headsets have become the cornerstone of its growth in the virtual reality space, according to the complaint. Fueled by the popularity of its top-selling Quest headsets, Meta's Quest Store has become a leading U.S. app platform with more than 400 apps available to download, it says.





Facebook's Meta logo sign is seen at the company headquarters in Menlo Park, Calif., Oct. 28, 2021. Federal regulators, Wednesday, July 27, 2022, took legal action to block Facebook parent Meta and CEO Mark Zuckerberg from acquiring virtual reality company Within Unlimited and its fitness app Supernatural, asserting the deal would hurt competition and violate antitrust laws. Credit: AP Photo/Tony Avelar, File

Meta rejected the regulators' claims.

"The FTC's case is based on ideology and speculation, not evidence," the company said in a statement. "By attacking this deal ... the FTC is sending a chilling message to anyone who wishes to innovate in VR. We are confident that our acquisition of Within will be good for people, developers, and the VR space."



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